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FOREIGN SERVICE DESPATCH

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TO: THE DEPARTMENT OF STATE, WASHINGTON.

Action Assigned to

Action Taken — DATE: March 27, 1953

REF: F790004-1304

Date of Action 4-6-53

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SUBJECT: Joint Weeks No. 13 for State, Army and Air Departments From SA - Section I

DECLASSIFICATION DATE 11-30-78
PER CIA/MR OFFICE ARA
FADRC FOI CASE NO. 740332

SUMMARY

During the week leftist political forces gave a striking display of their sensitivity to suggestions of intervention in the internal affairs of the country and of their willingness to abandon a cherished objective in order to protect the position of Communists within the country. The extreme leftist political party PAR issued a bulletin on March 25 advocating the withdrawal of Guatemala from the Organization of Central American States (ODECA), whose creation was formerly one of the cardinal points in the foreign policy of President Arbenz, because the party asserted that the Salvadoran project for the adoption at the next meeting of that body of a resolution calling for joint action against international Communism constituted a threat of intervention in Guatemala's internal affairs. Just prior to the issuance of that bulletin, the Guatemalan Congress in a reaction to former Ambassador Spruille BRADEN's speech earlier this month favoring intervention to check the spread of Communism from Guatemala voted unanimously to ask the Executive to cancel a decoration awarded Mr. Braden in 1947, a request with which President Arbenz promptly complied.

Carrying forward his efforts to insure orderly application of the Guatemalan Agrarian Reform Law, Major Alfonso MARTINEZ, Chief of the National Agrarian Department (DAN), laid before the Cabinet last week a series of proposed amendments to the law, one of which would eliminate representatives of the Communist-controlled and influenced labor organizations from the Departmental Agrarian Committees and thus bring those bodies under the control of the national agrarian authorities. Although instances of violence in rural areas continued to be reported, local authorities in some cases took steps to curb excesses. Meanwhile, the Supreme Court rejected a request from the United Fruit Company that it clarify its decision confirming the expropriation of a large tract of the Company's Bland Tamalcuar Tiquisate.

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No. 852
From GUATEMALA

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Intl. No. ____
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F790004-1305 INTERNATIONAL AFFAIRS

Abandoning the lip-service customarily paid to the ideal of Central American unity, the Partido Acción Revolucionaria (PAR), Guatemala's most powerful political party, issued a bulletin on March 25 calling for Guatemala's withdrawal from the Organization of Central American States (ODECA). This recommendation was made in view of the Salvadoran proposal, first made last August, to discuss joint action against Communism at the ODECA meeting now scheduled for May 2, a suggestion which the PAR said it considered intervention in Guatemala's internal affairs and a violation of its sovereignty. After stating that the "fight against Communism" was being used as a pretext by advocates of intervention in Guatemala and that the Salvadoran proposal coincided with the political line followed by domestic enemies of the Arbenz Government, the PAR concluded that ODECA would never serve the purposes of closer Central American relations for which it was intended, that it was not an effective instrument for solving the national problems of the five countries and that it was being transformed into a weapon against the democratic Guatemalan Revolution and consequently against the democratic movement in Central America; hence the party asked that the Government denounce the ODECA Charter and withdraw from the organization. The bulletin was signed by Julio ESTRADA de la Hoz, former President of Congress, in his capacity as Secretary of the PAR's Political Committee.

The PAR's statement on ODECA represented a sudden about-face, since as recently as March 23 Sr. Estrada de la Hoz had told the press that PAR would suggest inclusion on the agenda of the forthcoming ODECA meeting proposals that all the members adopt a labor code, establish Social Security systems and carry out Agrarian Reforms, all measures already in force in Guatemala. That this rapid change was due to Communist influence was suggested by the circumstance that on March 24 in a Congressional debate on a resolution asking the Executive to withdraw the Guatemalan decoration once conferred on Mr. Spruille Braden, the Communist deputy Carlos Manuel PELLECER, in addition to attacking Mr. Braden's advocacy of intervention in Guatemala, also attacked the ODECA for its "international imperialist intentions of intervening in our internal affairs". The PAR bulletin advising withdrawal from ODECA was dated the following day.

The debate on withdrawing Mr. Braden's decoration followed violent attacks on the former Assistant Secretary of State for statements he reportedly made at Dartmouth College regarding the necessity for taking strong measures against the Communist menace in Guatemala. Opposition deputy Humberto VIZCAINO

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Leal joined the Government majority in condemning Mr. Braden's statement, but he added that the activities of the local Communists were responsible for the campaign against Guatemala abroad. The resolution passed unanimously, and on March 26 President Arbenz ordered the cancellation of the Order of the Quetzal awarded to Mr. Braden in 1947.

DOMESTIC AFFAIRS

Although the formation of Vigilance Committees announced on March 13 by Major Martinez, Chief of the DAN, did not immediately put an end to strife in rural areas, his vigorous statement against illegal invasion of private property seemed to have encouraged some local officials to curb the activities of the Communist-inspired mobs. Thus the Governor of Quezaltenango ordered the authorities at Coatepeque to remove members of the local farm union who had occupied grazing land on a large farm in that area not condemned under the Agrarian Reform Law, and the Governor of Chiquimula, at the opposite end of the country, also reportedly acted to halt illegal seizures.

Major Martinez also moved to bring the Departmental Agrarian Committees completely under his control by suggesting to the Cabinet that the Agrarian Law be amended to reduce the membership from five to three, all of whom would be Government men. At present, the Communist-dominated labor confederation CGTG and the Communist-influenced small farmers and tenants union CNCG each name one member, one is the nominee of the Departmental Governor, the fourth of the DAN and the fifth of the landowners' association, the AGA. The AGA never nominated any members, and so the Committees have in practice been composed of four members. It has been charged that the Committees made no effort to investigate the complaints of land-owners who appealed from the rulings of local agrarian committees, and Major Martinez recently stated that 600 applications for expropriation were pending in his office and that the delay in handling them was due to the fact that they were full of errors.

Other amendments proposed by Major Martinez were designed to cover contingencies not foreseen when the law was drafted. For instance, the Government's Institute for the Development of Production (INFOP) would be permitted to administer property not disposed of under the law, an indication that some Guatemalans have not been as eager as expected to take advantage of the provisions of the Agrarian Reform Law (See Section II). The proposed amendments have not yet been submitted to Congress and there appears to be no likelihood of immediate action since Congress will not resume its sessions until after Easter.

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MILITARY

Budget for Fiscal Year 1953-54

The proposed new budget for fiscal year 1953-54 now under consideration in Congress allots $6,425,242.68 for National Defense. This represents 11.32% of the total budget and is $520,037.68 above last year's allocation. No breakdown of proposed expenditures is available.

William L. Krieg
Chargé d'Affaires ad interim

Contributor:
Colonel A.E. McCormick, Army Attaché

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